

Registration number: 11104150

Inspiring Learners Multi Academy Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 August 2020



HALLIDAYS
MORE THAN JUST ACCOUNTANTS

Hallidays
Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Inspiring Learners Multi Academy Trust

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Inspiring Learners Multi Academy Trust

Reference and Administrative Details

Members:	M Cunningham G Geoghegan A Hughes J Whyte
Trustees:	J Whyte (Chair) C Brindley K Cleary K Eccles T Gardner K Spark (CEO)
Senior Management Team:	
CEO – ILMAT, Executive Headteacher Bollin and Tyntesfield	K Spark
Head of School – Bollin	N.O'Hara
Assistant Headteacher – Bollin	S Hampton
Assistant Headteacher – Bollin	H Marshall (left 30.04.2020)
Head of School - Tyntesfield	K Manion
Deputy Headteacher - Tyntesfield	E McDonald
Assistant Headteacher – Tyntesfield	Vacant
Trust Finance Director	Jill Usher
Company Name	Inspiring Learners Multi Academy Trust
Principal and Registered Office	Tyntesfield Primary School Alma Road Sale M33 4HE
Company Registration Number	11104150 (England and Wales)
Independent Auditor	Hallidays Riverside House Kings Reach Business Park Yew St Stockport SK4 2HD
Bankers	Lloyds 7th Floor 40 Spring Gardens Manchester M2 1EN
Solicitors	Browne Jacobson 14 th Floor No 1 Spinningfields 1 Hardman Square Manchester M3 3EB

Inspiring Learners Multi Academy Trust

Trustees' Report

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2019 to 31 August 2020. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates 2 primary academies in Trafford each for pupils aged 4 – 11 with a nursery for children aged 3+. Each academy has a pupil capacity of 60 children per year group and a 52 part-time places in nursery. Each school has a total capacity of 446 (420 plus 26 FTE place Nursery) and therefore we have a combined pupil capacity of 892 FTE places and had a roll of 875 in the Spring Term school census of January 2020.

Structure, Governance and Management

Constitution

The academy trust is a company limited by guarantee (company number 11104150) and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of Inspiring Learners Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Inspiring Learners Multi Academy Trust.

Details of the trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details.

Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

Trustees' Indemnities

Professional Indemnity insurance is in place to protect Trustees, Governors, and officers from claims arising from negligent acts, errors or omission occurring on Academy business. The insurance provides cover for up to £10,000,000. The academy use the Risk Protection Arrangement offered by the DfE

Method of Recruitment and Appointment or Election of Trustees

The members of the trust are responsible for the appointment of trustees. Trustees are appointed based on the skills they will bring. Trustees are assessed initially by invitation dependent upon their: expertise, experience and skills prior to a process of recruitment and appointment.

Policies and Procedures Adopted for the Induction and Training of Trustees

Trustees and governors are appointed based on the skills that they will bring to the governing body or Trust Board. On all occasions, an induction is carried out related to the workings of the Trust, including policies and procedures, roles and responsibilities together with appropriate training opportunities. Regular skills audits are undertaken to ensure that the breadth and balance of expertise is available to the Trust Board and governing body.

Trustees' Report (continued)

Organisational Structure

The governance of the trust is defined in the Articles of Association, together with the funding agreement from the Department for Education.

The trustees are responsible for setting general policy, the strategic direction and growth of the trust, adopting an annual plan and budget, monitoring the trust and academies by the use of financial management and other performance information, making appointments to the executive team, and approving the annual report and financial statements.

The Chief Executive Office is the Accounting Officer.

The trustees meet at least once every half term. The local governing body and governor committees meet on at least a termly basis. Trustees and governors make regular visits to both academies, attending and supporting functions.

The day to day management of each school is delegated to the CEO/Executive Headteacher and Heads of School who meet regularly.

Responsibilities of trustees, governors and senior leaders are clearly defined in the Trust Scheme of Delegation.

Arrangements for setting pay and remuneration of key management personnel

The trust has a pay policy that is reviewed annually. The setting of pay and remuneration of key management personnel within the trust is as follows:

- All posts within the structure have detailed job descriptions and person specifications which are subject to annual review and are written with due regard to enabling staff to maintain a reasonable work/life balance.
- Pay and remuneration for school staff is managed at individual school level by their Resources Committee.
- The trust is fully committed to the implementation of an appraisal process for teachers and support staff, with the objective of maximising the professional development of all staff and progress of pupils.
- The remuneration of the executive team is set in accordance with the Trust Pay Policy and Executive Pay Policy and is managed by the trust board.

Inspiring Learners Multi Academy Trust

Trustees' Report (continued)

Trade Unions Facilities Time

Under the provisions of the Trade Union (Facility Time Publication Requirements) Regulations 2017, where an academy trust has more than 49 full time equivalent employees throughout any 7 months within the reporting period, it must include information included in Schedule 2 of the Regulations. The information to be published consists of four tables covering:

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	0.4

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	111
1%-50%	0
51%-99%	0
100%	0

Percentage of pay bill spent on facility time

Provide the total cost of facility time	0
Provide the total pay bill	£3.142M
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) × 100	0

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) × 100	0
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Inspiring Learners Multi Academy Trust

Trustees' Report (continued)

Related Parties and other Connected Charities and Organisations

Tyntesfield Primary School is one of two designated teaching schools in Trafford Teaching School Alliance (TTSA). TTSA has key performance indicators which benefit the Trust as there is a clear expectation that all members of a teaching school alliance improve their outcomes. The onus is on the teaching school to facilitate this, whether it be providing support, access to high quality CPD, sharing good practice or through the development of talent management pathways.

K Cleary (trustee) delivered leadership training for the teaching school in 2019/20. Trustees were assured that services were provided to the teaching school at a cost below market rate.

K Manion (Head of School, Tyntesfield) is the wife of a Director from PE & Sports Hub and PE Passport. PE & Sports Hub delivered curriculum sports coaching and provided sports clubs at both schools.

Trustees were assured that the services were competitively priced, that K Manion had no involvement in any part of the procurement or management of the services and PE & Sports Hub were the best provider for both schools.

Objectives and Activities

Objects and Aims

The trust object is to advance for the public benefit, education for children aged 3-11 by establishing, maintaining, carrying on, managing and developing schools offering a broad balanced curriculum that enables every child to achieve their potential.

The trust mission '*Inspiring a community of learners and leaders, to achieve excellence, with the children at the heart of everything we do*' is underpinned by 5 values: Passion, Ambition, Collaboration, Innovation and Integrity. The mission and values determine the why and how the trust do what they do.

Further developing and maintaining strong leadership and governance at all levels is a key priority as the trust recognises the pivotal role of effective leadership in ensuring the best outcomes for pupils as well as creating a culture of trust where staff feel valued and appreciated.

Objectives, Strategies and Activities

The main objectives of the Trust during the period ended 31 August 2020 are summarised below:

- Embed the Trust mission and values within the culture of the Trust;
- Further embed strong governance of the Trust at all levels;
- Development of a clear Trust Vision and Strategy aligned with mission and values;
- Further develop the Trust support systems and infrastructure;
- Maintain close links with Trafford Local Authority and to utilise these links for the benefit of the Trust and its pupils;
- Further raise standards and maintain rapid rate of progress at Bollin Primary School ahead of impending Ofsted inspection;
- Continue to ensure the highest standards of education are maintained at Tyntesfield Primary School;
- Establish strong foundations in preparation for future growth.
- Lead and support our schools as they overcame the challenges of Covid-19.

The trustees are pleased to report that all the objectives have been achieved whilst also successfully leading and supporting our schools to manage and respond the significant challenges presented by Covid-19. In addition, we adhered to all guidance set out by ESFA in relation to procurement policy and value for money through this period.

Inspiring Learners Multi Academy Trust

Trustees' Report (continued)

Public Benefit

The Trust has a specific public benefit purpose to: operate institutions of state funded education; manage these schools at their optimum in terms of efficiency and value for money to maximise benefit to their pupils; to innovate in education and to provide improved access to better quality schooling.

The trustees have complied with their duty to have due regard to the guidance on public benefit published by The Charity Commission in exercising their duties.

In setting our objectives and planning our activities the trustees have carefully considered the Charity Commission's general guidance on public benefit'.

Strategic Report

Achievements and Performance

The Covid 19 pandemic and associated lockdown had a significant effect on the work of the Trust from March and led to the cancellation of 19/20 national curriculum assessments and it is not possible to include any outcomes or teachers assessments in this year's report. It is also not possible to include any comparative information about the attainment of the pupils of the same age in the schools or nationally. In recognition of the impact of the Coronavirus outbreak on school attendance, the Department of Education has removed the requirement to report pupils' attendance for the 19/20 academic year.

During the period of full national lockdown, Tyntesfield and Bollin Primary Schools remained open to ensure provision for pupils of key workers and those that were vulnerable. All other students were offered an effective on line learning package to maintain both engagement and progress. All staff were paid in full and we adhered to the procurement policy notes issued.

Both schools re-opened fully to students in September 2020 following significant work undertaken by the Trust during the summer to assess all risks and produce plans to ensure the ability of both schools to function as "routinely" as they could in the current situation. Our Recovery Curriculum, Accelerated Progress Model and Distance Learning Model have ensured we continue to provide a high standard of education for our pupils and gaps in learning, as a result of the national lockdown, are being rapidly addressed.

Well-being has been at the fore of our work this year and the development and implementation of our Trust Well-being Strategy was accelerated as we supported children, families and staff through this period of uncertainty and worry.

Covid continues to impact on the operational running of our schools with disruptions caused by staff absence due to Covid and positive cases amongst the children/staff, leading to groups isolating. These issues continue to increase costs at each school whilst we also continue to sustain a loss of income from clubs and lettings. These financial uncertainties continue to be addressed through robust monitoring, regular scenario planning to ensure we maintain financial sustainability. Our robust risk management process also ensures we are fully aware of risk, taking appropriate action and instigating precautionary measures, to mitigate risk. There is currently no impact on our Trust's Reserve Policy.

Since March 2020, the Trust Board has taken the lead in our Trust Covid response and maintain close scrutiny of our financial, educational and operational response.

As a Trust we have a clear vision for the future and a Five Year Strategic Plan mapping the journey towards achieving the vision. Whilst we continue to be driven by our aims and vision, we will ensure our Covid response continues to be decisive and appropriate, mitigating risk and ensuring our high standards are maintained in all areas of our practice.

Inspiring Learners Multi Academy Trust

Trustees' Report (continued)

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review

The trust financial position for the period to 31 August 2020 demonstrates total income for the year was £3,977,518 (2019: £3,879,249). Total expenditure in the year was £4,406,832 (2019: £4,141,859). The net in-year surplus for the year excluding the Local Government Pension Scheme and Fixed Asset Reserve and after transfer between funds was £41,477 (2019: £2,782)

The trust is predominantly funded by the ESFA General Annual Grant and other government grants. The funding is predominantly restricted for the purposes of education. The trust is driven to use all of its resources for the provision (directly or indirectly) for this restricted purpose in order to provide the best quality education for its pupils.

The reserves will be utilised for continuous improvements and to ensure financial stability in the coming years.

In addition, the net liability due to the trust's participation in the Local Government Pension scheme (Greater Manchester Pension Fund – GMPF) amounts to £1,313,000. It should be noted, however that an immediate liability for this amount is not crystallised at the financial year end. Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department of Education. The guarantee came into force on 18th Jul 2013. This guarantee provides comfort to the trustee's in the unlikely event of an academy closure

Reserves Policy

Reserves held as at 31 August 2020 were as follows:

	£
Total reserves	5,728,260
Add back pension reserve	1,313,000
Less reserves attributable to fixed assets	(6,567,062)
Unrestricted and general restricted funds	474,198
Less Restricted	(70,507)
Free reserves	403,691

Trustees review the level of reserves on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitment and the nature of reserves. Any reserves left over will provide a cushion to cover delays between spending and receipt of grants; deal with unexpected emergencies; invest in premises upgrade and bridge a temporary funding gap whilst we strive to drive up pupil numbers in one school.

Some reserves at Bollin Primary were utilised in 2019-20 due to loss of income and increased costs in relation to Covid-19. The remaining reserves will continue to be carefully managed as we navigate our way through this crisis and as we manage the funding lag despite an increase in pupil numbers.

Inspiring Learners Multi Academy Trust

Trustees' Report (continued)

Investment Policy

The trust has in place an investment policy but there are currently no investments.

Principal Risks and Uncertainties

Inspiring Learners Multi Academy Trust has adopted a risk management process including the creation of a Risk Register and risk review process. The objective of this is to regularly review and, where it is considered necessary, put in place measures of control and mitigation in order to manage risk.

The principle risks are seen as:

- Uncertainty with education funding;
- Uncertainty around Covid-19 and the challenges this presents;
- Loss of income;
- Impact of Brexit;
- Pension costs;
- Not attaining best value;
- Premises failing to meet education and H&S requirements
- Falling pupil rolls;
- Staff absence;
- Staff recruitment and retention;

Key controls in place are:

- An organisational structure with defined roles, responsibilities and authorisation levels;
- Clear terms of reference for the committees of the governing body;
- Financial planning, budgeting and regular management reporting highlighting areas of financial risk;
- Clear systems, procedures and policies in place, regularly audited;
- Adopted all Trafford HR approved policies and Trade Union Recognition Agreement in place;
- A clear Trust Communication Strategy in place and active school promotion;

The academy trust has recognised its share of the local government pension scheme (LGPS) assets and liabilities in accordance with Financial Reporting Standard no.102. A deficit has been recognised at 31 August 2020.

Fundraising

The academy trust does not use any external fundraisers. All fundraising undertaken during the year was monitored by the Trustees.

Inspiring Learners Multi Academy Trust

Trustees' Report (continued)

Plans for Future Periods

The trust plans for future periods include:

- Continue to embed the mission and values of the Trust so that they sit at the heart of the Trust's work.
- Further embed strong governance at all levels.
- Implement our Trust Five Year Strategic Plan as we strive to achieve our vision.
- Further embed our Risk Management Framework as a key governance and management tool.
- Continue to develop and embed robust financial systems, software solution, policies and procedures.
- Continue to update medium to long term financial forecasts to provide clarity on future financial health of the trust.
- Continue to adapt, respond to and anticipate the challenges presented by Covid.
- Continue to build upon its good name and current success and the results of our schools.
- Continue to prioritise professional development of staff to ensure our teaching and curriculum continues to be innovative, collaborative and inspiring and enabling staff and pupils to achieve their best.
- Ensure our schools are prepared for a future Ofsted inspection.

Funds Held as Custodian Trustee on Behalf of Others

Tyntesfield Primary School is the named lead school and designated budget holder for the teaching school (Trafford Teaching School Alliance – TTSA).

Auditor

Insofar as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 17 December 2020 and signed on the board's behalf by:



Jamie Whyte

Chair of Trust Board

17 December 2020

Inspiring Learners Multi Academy Trust

Governance Statement

Scope of Responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Inspiring Learners Multi Academy Trust has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

As trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The board of trustees has delegated the day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Inspiring Learners Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Trustees and governors are well trained and are committed to attending training that enhances understanding of their responsibilities and legal function. This equips them with the knowledge to provide both challenge and support for the senior leadership teams at both academies in the trust. Trustees and governors completed a skills audit the outcome of which identified key competencies required in future appointments to both boards. The scheme of delegation balances the need for control with empowering the local governing body to be accountable for the performance of the academy they govern.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 11 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
J Whyte (Chair)	8	10
C Brindley	8	8
K Cleary	9	9
K Eccles	11	11
T Gardner	8	10
K Spark (CEO)	11	11

The local governing body of and Bollin Primary School met 9 times during the period as follows:

Governors	Meetings attended	Out of a possible
S Cosgrove	6	6
L Davenport	7	7
H Johnson (Chair)	9	9
O Napier (joined 10.10.2019)	7	7
N O'Hara	9	9
J Pope	3	7
E Robinson (joined 10.03.2020)	1	1
M Struggles	6	7
S Thompson	7	7

Inspiring Learners Multi Academy Trust

Governance Statement (continued)

The joint local governing body of Tyntesfield Primary School met 5 times during the period as follows:

Governors	Meetings attended	Out of a possible
J Arnold	4	4
J Bowhay	2	4
K Hunt	4	4
H Johnson	5	5
K Manion	5	5
J Moss	3	4
J Pope	2	4
M Savege	2	4
S Thompson	2	4
D Turner	1	4
J Wilkinson (left 15.07.2020)	3	3

In 2019-20, the Trust Board has specifically focused on the following:

- Development of a Trust Vision and Trust Strategic Plan with Educational Excellence at the heart;
- Leading the Trust and supporting our two schools through the operational challenges of Covid-19;
- Providing strong support for our school leaders through Covid 19;
- Ensuring robust financial procedures and effective decision making during Covid-19;
- Implementation of a new financial management system;

During 2019-20, the Trustees have made effective use of both internal and external audits to effectively evaluate Trust performance:

- Our Academies Regional Delivery Group Multi Academy Trust Review Meeting was a valuable and conversation and provided opportunity to discuss successes and challenges, financial position, governance and growth plans. The strong progress we have made in the previous year was recognised.
- Annual External Audit and the Internal Audit (conducted by our Independent Auditors, Hallidays) recognised that strong financial controls and procedures continue to be in place, whilst identifying clear recommendations for further improvement.

Review of Value for Money

As accounting officer the Chief Executive Officer has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

Inspiring Learners Multi Academy Trust

Governance Statement (continued)

Raising pupil achievement

This is demonstrated by the continued high standards in the Trust's key performance indicators such as those outlined above. The Inspiring Learners Multi Academy Trust also tracked the attendance and behaviour of all pupils, with attendance being consistently above national expectations.

Inspiring Learners Multi Academy Trust ensured that additional needs of individual pupils were effectively met and appropriate resources (staff and equipment) were made available, including during the period of lockdown.

Robust governance and financial oversight

The trustees of Inspiring Learners Multi Academy Trust are responsible for determining the Trust's financial priorities linking this to the mission, values and the Trust's Strategic Plan.

Items for discussion and action by this board, the full governing bodies and committees included:

1. Approval of the budget prior the start of the financial year.
2. Establishing and maintaining an up to date three year financial plan.
3. Monthly Management Accounts detailing all risks/opportunities vs budget were shared with trustees and at the termly LGB Resource Committee.
4. Ensuring that the Trust operated within the financial regulations set out in the Academies Financial Handbook.
5. Continuing to utilise the services of the independent auditor, in line with ESFA guidelines.
6. Ensuring that ring fenced funding streams, such as Pupil Premium, were used as directed and to maximum effect.
7. Making decisions on expenditure following recommendations from governors.
8. Ensuring, as far as is practical, that health and safety issues were appropriately prioritised.
9. Determining whether sufficient funds were available to pay for staff pay increments and increases.
10. Assessing the possibility of further collaborative work with other education providers and business links that will allow for increased sharing of good practice.
11. Ensuring that the academies and the Trust remained a going concern and remain viable for the foreseeable future.

The accounting officer for Inspiring Learners Multi Academy Trust is aware of their personal responsibility to Parliament for regularity (spending money for the purposes intended by Parliament), propriety (handling money honestly and avoiding conflicts of interest) and value for money.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Inspiring Learners Multi Academy Trust for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

Inspiring Learners Multi Academy Trust

Governance Statement (continued)

The Risk and Control Framework

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular it includes:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees.
- Regular reviews by the finance and general purposes committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes.
- Setting targets to measure financial and other performance.
- Clearly defined purchasing (asset purchase or capital investment) guidelines delegation of authority and segregation of duties.
- Identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Hallidays as internal auditor. A new internal auditor has been appointed for subsequent periods to be in line with the requirements of the newly revised FRC Ethical Standard for auditors.

The auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- testing of fixed asset systems
- testing of compliance
- assisting in mapping of chart of accounts in new software
- testing of payroll systems
- testing of posting of opening balances at system change over

On a termly basis, the auditor reports to the board of trustees, through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities and annually prepares an annual summary report to the committee outlining the areas reviewed, key findings, recommendations and conclusions to help the committee consider actions and assess year on year progress. Any issues are immediately followed up and any recommendations put into place.

Review of Effectiveness

As accounting officer the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor
- the work of the external auditor
- the financial management and governance self-assessment process or the school resource management self-assessment tool
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework

Inspiring Learners Multi Academy Trust

Governance Statement (continued)

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit Committee and Trust Board and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 17 December 2020 and signed on its behalf by:



Jamie Whyte
Chair of Trust Board
Trustee



K. Spark

Accounting Officer

Inspiring Learners Multi Academy Trust

Statement of Regularity, Propriety and Compliance

As accounting officer of Inspiring Learners Multi Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of all funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2019.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and ESFA.

A handwritten signature in black ink, appearing to read 'K. Spark', with a stylized, flowing script.

K. Spark
Accounting Officer

17 December 2020

Inspiring Learners Multi Academy Trust

Statement of Trustees' Responsibilities

The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law, the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2019 to 2020
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 17 December 2020 and signed on its behalf by:



Jamie Whyte
Chair of Trust Board
Trustee

Inspiring Learners Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Inspiring Learners Multi Academy Trust

Opinion

We have audited the financial statements of Inspiring Learners Multi Academy Trust (the 'Academy') for the year ended 31 August 2020, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy trust's affairs at 31 August 2020 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2019 and Academies Accounts Direction 2019 to 2020.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Academy in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information (covers the Reference and Administrative Details, the Trustees' Report and the Governance Statement)

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Inspiring Learners Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Inspiring Learners Multi Academy Trust (continued)

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 16], the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Inspiring Learners Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Inspiring Learners Multi Academy Trust (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Academy's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Academy's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Academy to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Academy to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the Academy audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the Academy's Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Anna Bennett (Senior Statutory Auditor)
For and on behalf of Hallidays, Statutory Auditor

Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Inspiring Learners Multi Academy Trust

**Independent Auditor's Report on the Financial Statements to the Members of
Inspiring Learners Multi Academy Trust (continued)**

Date:.....17/12/20.....

Inspiring Learners Multi Academy Trust

Independent Reporting Accountant's Report on Regularity to Inspiring Learners Multi Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 16 June 2020 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Inspiring Learners Multi Academy Trust during the period 1 September 2019 to 31 August 2020 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Inspiring Learners Multi Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Inspiring Learners Multi Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Inspiring Learners Multi Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 1 February 2018 and the Academies Financial Handbook extant from 1 September 2019, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2019 to 2020. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year from 1 September 2019 to 31 August 2020 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the trust are within the trust's framework of authorities.

Inspiring Learners Multi Academy Trust

Independent Reporting Accountant's Report on Regularity to Inspiring Learners Multi Academy Trust and the Education and Skills Funding Agency (continued)

- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the trust's delegated authorities and that the internal delegations have been approved by the Trust Board and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the governing body and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the trust's charitable objects.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year from 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Reporting Accountant

Hallidays
Chartered Accountants
and
Registered Auditors

Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Date: 17/12/20

Inspiring Learners Multi Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2020 (including Income and Expenditure Account)

	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2019/20 Total £
Income and endowments from:						
Donations and capital grants	2	14,150	58,233	-	27,682	100,065
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	3,539,781	-	-	3,539,781
Teaching schools		-	151,874	-	-	151,874
Other trading activities	4	185,620	-	-	-	185,620
Investments	5	178	-	-	-	178
Total		199,948	3,749,888	-	27,682	3,977,518
Expenditure on:						
<i>Charitable activities:</i>						
Academy trust educational operations	7	-	3,783,483	189,000	294,181	4,266,664
Teaching schools	25	-	140,168	-	-	140,168
Net income/(expenditure)		199,948	(173,763)	(189,000)	(266,499)	(429,314)
Transfers between funds		(170,178)	185,470	-	(15,292)	-
Other recognised gains and losses						
Actuarial (losses) / gains on defined benefit pension schemes	23	-	-	(205,000)	-	(205,000)
Net movement in funds/(deficit)		29,770	11,707	(394,000)	(281,791)	(634,314)
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2019		373,921	58,800	(919,000)	6,848,853	6,362,574
Total funds/(deficit) carried forward at 31 August 2020		403,691	70,507	(1,313,000)	6,567,062	5,728,260

Inspiring Learners Multi Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2019 (including Income and Expenditure Account)

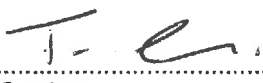
	Note	Unrestricted Funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	2018/19 Total £
Income and endowments from:						
Donations and capital grants	2	18,795	65,012	-	136,676	220,483
<i>Charitable activities:</i>						
Funding for the Academy trust's educational operations	3	-	3,304,393	-	-	3,304,393
Teaching schools		-	149,145	-	-	149,145
Other trading activities	4	204,374	-	-	-	204,374
Investments	5	854	-	-	-	854
Total		224,023	3,518,550	-	136,676	3,879,249
Expenditure on:						
<i>Charitable activities:</i>						
Academy trust educational operations	7	-	3,564,132	159,000	267,079	3,990,211
Teaching schools	25	-	151,648	-	-	151,648
Net income/(expenditure)		224,023	(197,230)	(159,000)	(130,403)	(262,610)
Transfers between funds		(77,178)	53,167	-	24,011	-
Other recognised gains and losses						
Actuarial (losses) / gains on defined benefit pension schemes	23	-	-	(345,000)	-	(345,000)
Gains/losses on revaluation of fixed assets		-	-	-	(1,886,638)	(1,886,638)
Net movement in funds/(deficit)		146,845	(144,063)	(504,000)	(1,993,030)	(2,494,248)
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2018		<u>227,076</u>	<u>202,863</u>	<u>(415,000)</u>	<u>8,841,883</u>	<u>8,856,822</u>
Total funds/(deficit) carried forward at 31 August 2019		<u>373,921</u>	<u>58,800</u>	<u>(919,000)</u>	<u>6,848,853</u>	<u>6,362,574</u>


Inspiring Learners Multi Academy Trust

(Registration number: 11104150)
Balance Sheet as at 31 August 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	12	6,546,480	6,756,708
Current assets			
Debtors	13	125,307	115,539
Cash at bank and in hand		<u>548,092</u>	<u>653,465</u>
		673,399	769,004
Creditors: Amounts falling due within one year	14	<u>(178,619)</u>	<u>(244,138)</u>
Net current assets		<u>494,780</u>	<u>524,866</u>
Total assets less current liabilities		<u>7,041,260</u>	<u>7,281,574</u>
Net assets excluding pension liability		7,041,260	7,281,574
Defined benefit pension scheme liability	23	<u>(1,313,000)</u>	<u>(919,000)</u>
Net assets including pension liability		<u>5,728,260</u>	<u>6,362,574</u>
Funds of the Academy Trust:			
Restricted funds			
Restricted general fund	15	70,507	58,800
Restricted fixed asset fund	15	6,567,062	6,848,853
Restricted pension fund	15	<u>(1,313,000)</u>	<u>(919,000)</u>
		5,324,569	5,988,653
Unrestricted funds			
Unrestricted general fund	15	<u>403,691</u>	<u>373,921</u>
Total funds		<u>5,728,260</u>	<u>6,362,574</u>

The financial statements on pages 23 to 52 were approved by the Trustees, and authorised for issue on 17/12/20 and signed on their behalf by:


.....
T Gardner
Trustee


.....
J A Whyte
Trustee

Inspiring Learners Multi Academy Trust

Statement of Cash Flows for the Year Ended 31 August 2020

	Note	2020 £	2019 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	18	(49,280)	93,350
Cash flows from investing activities	19	<u>(56,093)</u>	<u>(1,611)</u>
Change in cash and cash equivalents in the year		(105,373)	91,739
Cash and cash equivalents at 1 September		<u>653,465</u>	<u>561,726</u>
Cash and cash equivalents at 31 August	20	<u><u>548,092</u></u>	<u><u>653,465</u></u>

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020

1 Accounting policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

Basis of preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grants are reflected in the balance sheet in the restricted fixed asset fund. Capital grants are spent on capital projects in line with the terms and conditions of the grant. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable activities

These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Tangible fixed assets

Assets costing £5,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

Asset class	Depreciation method and rate
Leasehold Buildings	4% straight line
Furniture & Equipment	20% straight line
Computer Equipment & Software	33.3% straight line
Motor vehicles	20% straight line
Leasehold Land	125 years

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 13. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 14. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to charity's wholly owned subsidiary are held at face value less any impairment.

Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, Chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Pension benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary based on quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded multi-employer scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to net income/(expenditure) are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency/Department for Education.

Restricted pension funds comprise all income, costs and actuarial valuations associated with the Local Government pension scheme (LGPS).

Critical accounting estimates and areas of judgement

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

The Academy Trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	2019/20 Total £	2018/19 Total £
Educational trips and visits	-	40,483	-	40,483	64,082
Capital grants	-	-	27,682	27,682	136,676
Other donations	14,150	17,750	-	31,900	19,725
	<u>14,150</u>	<u>58,233</u>	<u>27,682</u>	<u>100,065</u>	<u>220,483</u>

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

3 Funding for the Academy Trust's educational operations

	Restricted funds £	2019/20 Total £	2018/19 Total £
DfE/ESFA revenue grants			
Other DfE/ESFA grants	408,286	408,286	235,969
General Annual Grant (GAG)	<u>2,797,028</u>	<u>2,797,028</u>	<u>2,641,109</u>
	<u>3,205,314</u>	<u>3,205,314</u>	<u>2,877,078</u>
Other government grants			
Local authority grants	330,891	330,891	427,315
Other coronavirus funding	<u>3,576</u>	<u>3,576</u>	<u>-</u>
	<u>334,467</u>	<u>334,467</u>	<u>427,315</u>
Total grants	<u><u>3,539,781</u></u>	<u><u>3,539,781</u></u>	<u><u>3,304,393</u></u>

The academy trust has been eligible to claim additional funding in year from government support schemes in response to the coronavirus outbreak. The funding received is shown above under other coronavirus funding and covers £3,576 of exceptional premises costs. These costs are included in notes 6 and 7 below as appropriate.

4 Other trading activities

	Unrestricted funds £	2019/20 Total £	2018/19 Total £
Hire of facilities	21,467	21,467	40,536
Catering income	12,741	12,741	857
Recharges and reimbursements	-	-	39,319
Other sales	<u>151,412</u>	<u>151,412</u>	<u>123,662</u>
	<u>185,620</u>	<u>185,620</u>	<u>204,374</u>

5 Investment income

	Unrestricted funds £	2019/20 Total £	2018/19 Total £
Short term deposits	<u>178</u>	<u>178</u>	<u>854</u>

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

6 Expenditure

	Non Pay Expenditure			2019/20 Total £	2018/19 Total £
	Staff costs £	Premises £	Other costs £		
Academy's educational operations					
Direct costs	2,059,730	193,708	221,190	2,474,628	2,269,810
Allocated support costs	1,081,206	393,531	317,299	1,792,036	1,720,401
Teaching School	17,000	-	123,168	140,168	151,648
	<u>3,157,936</u>	<u>587,239</u>	<u>661,657</u>	<u>4,406,832</u>	<u>4,141,859</u>

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

6 Expenditure (continued)

Net income/(expenditure) for the year includes:

	2019/20 £	2018/19 £
Operating lease rentals	2,349	3,412
Depreciation	294,181	267,079
Fees payable to auditor - audit	10,250	9,535
- other audit services	8,700	6,750

7 Charitable activities

	Total 2020 £	Total 2019 £
Direct costs - educational operations	2,474,628	2,269,810
Support costs - educational operations	1,792,036	1,720,401
	<u>4,266,664</u>	<u>3,990,211</u>

	Educational operations £	2019/20 Total £	2018/19 Total £
Analysis of support costs			
Support staff costs	1,081,206	1,081,206	991,500
Depreciation	100,473	100,473	93,277
Technology costs	43,977	43,977	34,048
Premises costs	293,058	293,058	275,889
Legal costs - other	451	451	-
Other support costs	245,246	245,246	301,093
Governance costs	27,625	27,625	24,594
Total support costs	<u>1,792,036</u>	<u>1,792,036</u>	<u>1,720,401</u>

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

8 Staff

Staff costs

	2019/20 £	2018/19 £
Staff costs during the year were:		
Wages and salaries	2,172,023	2,101,057
Social security costs	194,753	176,591
Pension costs	626,744	473,400
	<u>2,993,520</u>	<u>2,751,048</u>
Agency staff costs	130,312	70,382
Staff restructuring costs	17,104	-
	<u>3,140,936</u>	<u>2,821,430</u>
		2020 £
Staff restructuring costs comprise:		
Severance payments		<u>17,104</u>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £17,104 (2019: £Nil). Individually, the payments were:

Non-contractual payments £17,104

Staff numbers

The average number of persons employed by the academy trust during the year was as follows:

	2019/20 No	2018/19 No
Teachers	37	38
Administration and support	66	68
Management	8	8
	<u>111</u>	<u>114</u>

Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

8 Staff (continued)

	2020 No	2019 No
£60,001 - £70,000	1	-
£80,001 - £90,000	1	1
	<hr/>	<hr/>

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £519,852 (2019: £453,052).

9 Central services

No central services were provided by the academy trust to its academies during the period and no central charges arose.

10 Related party transactions - trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from employment with the Academy Trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

The value of trustees' remuneration and other benefits was as follows:

K Spark (Chief Executive Officer):

Remuneration: £80,000 - £85,000 (2019 - £80,000 - £85,000)

Employer's pension contributions: £20,000 - £25,000 (2019 - £10,000 - £15,000)

During the year ended 31 August 2020, travel and subsistence expenses totalling £Nil (2019 - £Nil) were reimbursed or paid directly to 0 trustees (2019 - 0).

Other related party transactions involving the trustees are set out in note 24.

11 Trustees' and officers' insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

12 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer Equipment £	Total £
Cost				
At 1 September 2019	6,620,713	387,633	108,087	7,116,433
Additions	-	54,833	29,120	83,953
At 31 August 2020	6,620,713	442,466	137,207	7,200,386
Depreciation				
At 1 September 2019	224,951	109,113	25,661	359,725
Charge for the year	170,269	82,029	41,883	294,181
At 31 August 2020	395,220	191,142	67,544	653,906
Net book value				
At 31 August 2020	6,225,493	251,324	69,663	6,546,480
At 31 August 2019	6,395,762	278,520	82,426	6,756,708

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

13 Debtors

	2020 £	2019 £
Trade debtors	16,863	1,174
VAT recoverable	37,145	27,081
Other debtors	16,086	5,534
Prepayments	34,181	41,973
Accrued grant and other income	21,032	39,777
	<u>125,307</u>	<u>115,539</u>

14 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	9,820	-
Other creditors	7,500	-
Accruals	89,346	146,188
Deferred income	71,953	97,950
	<u>178,619</u>	<u>244,138</u>

	2020 £	2019 £
Deferred income		
Deferred income at 1 September 2019	97,950	41,404
Resources deferred in the period	71,953	97,950
Amounts released from previous periods	<u>(97,950)</u>	<u>(41,404)</u>
Deferred income at 31 August 2020	<u>71,953</u>	<u>97,950</u>

At the balance sheet date the academy trust was holding funds received in advance for Universal Infant Free School Meals.

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

15 Funds

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
Restricted general funds					
General Annual Grant	-	2,797,028	(2,982,498)	185,470	-
Other DfE/ESFA grants	-	408,286	(408,286)	-	-
Local Authority Grants	-	330,891	(330,891)	-	-
Teaching School	58,800	151,874	(140,167)	-	70,507
Other income	-	61,809	(61,809)	-	-
	<u>58,800</u>	<u>3,749,888</u>	<u>(3,923,651)</u>	<u>185,470</u>	<u>70,507</u>
Restricted fixed asset funds					
Devolved Formula Capital	126,319	17,682	(6,169)	-	137,832
DfE capital grants	102,747	-	(4,402)	-	98,345
Inherited on conversion	<u>6,619,787</u>	<u>10,000</u>	<u>(283,610)</u>	<u>(15,292)</u>	<u>6,330,885</u>
	6,848,853	27,682	(294,181)	(15,292)	6,567,062
Restricted pension funds					
Restricted pension fund	<u>(919,000)</u>	<u>-</u>	<u>(189,000)</u>	<u>(205,000)</u>	<u>(1,313,000)</u>
Total restricted funds	5,988,653	3,777,570	(4,406,832)	(34,822)	5,324,569

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

15 Funds (continued)

	Balance at 1 September 2019 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2020 £
Unrestricted funds					
Unrestricted general funds	373,921	199,948	-	(170,178)	403,691
Total funds	6,362,574	3,977,518	(4,406,832)	(205,000)	5,728,260

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general funds					
General Annual Grant	14,415	2,641,109	(2,709,082)	53,558	-
Start up grant	41,754	-	(41,754)	-	-
Other DfE/ESFA grants	85,000	235,969	(320,969)	-	-
Local Authority Grants	-	427,315	(427,315)	-	-
Teaching School	61,694	149,145	(151,648)	(391)	58,800
Other income	-	65,012	(65,012)	-	-
	202,863	3,518,550	(3,715,780)	53,167	58,800

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

15 Funds (continued)

	Balance at 1 September 2018 £	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted fixed asset funds					
Devolved Formula Capital	57,760	51,850	(7,302)	24,011	126,319
DfE capital grants	36,056	69,400	(2,709)	-	102,747
Inherited on conversion	8,748,067	15,426	(257,068)	(1,886,638)	6,619,787
	8,841,883	136,676	(267,079)	(1,862,627)	6,848,853
Restricted pension funds					
Restricted pension fund	(415,000)	-	(159,000)	(345,000)	(919,000)
Total restricted funds	8,629,746	3,655,226	(4,141,859)	(2,154,460)	5,988,653
Unrestricted funds					
Unrestricted general funds	227,076	224,023	-	(77,178)	373,921
Total funds	8,856,822	3,879,249	(4,141,859)	(2,231,638)	6,362,574

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

15 Funds (continued)

The specific purposes for which the funds are to be applied are as follows:

Restricted general funds are those resources that have been designated restricted by the grant provider in meeting the objects of the trust.

Restricted fixed asset funds are those funds relating to the long term assets of the trust used in delivering the objects of the trust.

Unrestricted funds are funds which the trustees may use in the pursuance of the trust's objectives and are expendable at the discretion of the trustees.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2020

Total funds analysis by academy

Fund balances at 31 August 2020 were allocated as follows:

	2020 £	2019 £
Tyntesfield primary school	381,856	282,634
Bollin primary school	92,151	149,968
Central services	191	119
Total before fixed assets and pension reserve	474,198	432,721
Restricted fixed asset fund	6,567,062	6,848,853
Restricted pension fund	(1,313,000)	(919,000)
Total	<u>5,728,260</u>	<u>6,362,574</u>

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

15 Funds (continued)

Total cost analysis by academy

Expenditure incurred by each academy during the year was as follows:

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2020 £	Total 2019 £
Bollin primary school	1,103,707	454,056	70,892	307,769	1,936,425	1,832,365
Tyntesfield primary school	1,003,023	456,150	55,056	447,741	1,962,860	1,882,844
Central services	-	-	-	-	-	571
Academy Trust	2,106,730	910,206	125,948	755,510	3,899,285	3,715,780

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

16 Analysis of net assets between funds

Fund balances at 31 August 2020 are represented by:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	6,546,480	6,546,480
Current assets	403,691	249,126	20,582	673,399
Current liabilities	-	(178,619)	-	(178,619)
Total net assets	<u>403,691</u>	<u>70,507</u>	<u>6,567,062</u>	<u>7,041,260</u>

Comparative information in respect of the preceding period is as follows:

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	6,756,708	6,756,708
Current assets	401,136	302,938	64,930	769,004
Current liabilities	-	(244,138)	-	(244,138)
Pension scheme liability	-	(919,000)	-	(919,000)
Total net assets	<u>401,136</u>	<u>(860,200)</u>	<u>6,821,638</u>	<u>6,362,574</u>

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

17 Commitments under operating leases

Operating leases

At 31 August 2020 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2020 £	2019 £
Amounts due within one year	6,823	3,412
Amounts due between one and five years	10,519	5,118
	<u>17,342</u>	<u>8,530</u>

18 Reconciliation of net expenditure to net cash inflow/(outflow) from operating activities

	2019/20 £	2018/19 £
Net expenditure for the reporting period (as per the statement of financial activities)	(429,314)	(262,610)
Depreciation	294,181	267,079
Capital grants from DfE and other capital income	(27,682)	(136,676)
Interest receivable	(178)	(854)
Defined benefit pension scheme cost less contributions payable	171,000	115,000
Defined benefit pension scheme finance cost	18,000	44,000
Increase in debtors	(9,768)	(43,601)
(Decrease)/increase in creditors	(65,519)	111,012
Net cash (used in)/provided by Operating Activities	<u>(49,280)</u>	<u>93,350</u>

19 Cash flows from investing activities

	2019/20 £	2018/19 £
Dividends, interest and rents from investments	178	854
Purchase of tangible fixed assets	(83,953)	(139,141)
Capital funding received from sponsors and others	27,682	136,676
Net cash used in investing activities	<u>(56,093)</u>	<u>(1,611)</u>

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

20 Analysis of cash and cash equivalents

	2020 £	2019 £
Cash at bank and in hand	548,092	653,465
Total cash and cash equivalents	<u>548,092</u>	<u>653,465</u>

21 Analysis of changes in net debt

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash	653,465	(105,373)	548,092
	-	-	-
Total	<u>653,465</u>	<u>(105,373)</u>	<u>548,092</u>

22 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

23 Pension and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Greater Manchester Pension Fund. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2019.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2014. Membership is automatic for teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

23 Pension and similar obligations (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI. assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the period amounted to £320,804 (2019: £219,766).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £185,000 (2019 - £178,000), of which employer's contributions totalled £144,000 (2019 - £138,000) and employees' contributions totalled £41,000 (2019 - £40,000). The agreed contribution rates for future years are 21.3 per cent for employers and between 5.2 to 12.5 per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions

	2020	2019
	%	%
Rate of increase in salaries	3.00	3.10
Discount rate for scheme liabilities	1.70	1.80
Inflation assumptions (CPI)	<u>2.20</u>	<u>2.30</u>

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

23 Pension and similar obligations (continued)

The current mortality assumptions include sufficient allowance for future improvements in the mortality rates. The assumed life expectations on retirement age 65 are:

	2020	2019
Retiring today		
Males retiring today	20.50	20.60
Females retiring today	23.10	23.10
Retiring in 20 years		
Males retiring in 20 years	22.00	22.00
Females retiring in 20 years	<u>25.00</u>	<u>24.80</u>
Sensitivity analysis		
	2020	2019
	£	£
Discount rate -0.1%	390,000.00	337,000.00
Mortality assumption – 1 year increase	40,000.00	46,000.00
CPI rate +0.1%	<u>344,000.00</u>	<u>284,000.00</u>

The academy trust's share of the assets in the scheme were:

	2020	2019
	£	£
Equities	1,342,320	1,296,080
Government bonds	315,840	285,900
Property	138,180	152,480
Cash and other liquid assets	<u>177,660</u>	<u>171,540</u>
Total market value of assets	<u>1,974,000</u>	<u>1,906,000</u>

The actual return on scheme assets was (£93,000) (2019 - £83,000).

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

23 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	2019/20 £	2018/19 £
Current service cost (net of employee contributions)	(171,000)	(146,000)
Interest income	36,000	48,000
Interest cost	(54,000)	(61,000)
Total amount recognized in the SOFA	<u>(189,000)</u>	<u>(159,000)</u>

Changes in the present value of defined benefit obligations were as follows:

	2019/20 £	2018/19 £
At start of period	2,825,000	2,060,000
Current service cost	315,000	284,000
Interest cost	54,000	61,000
Employee contributions	41,000	40,000
Actuarial (gain)/loss	76,000	380,000
Benefits paid	(24,000)	-
At 31 August	<u>3,287,000</u>	<u>2,825,000</u>

Changes in the fair value of academy trust's share of scheme assets:

	2019/20 £	2018/19 £
At start of period	1,906,000	1,645,000
Interest income	36,000	48,000
Actuarial gain/(loss)	(129,000)	35,000
Employer contributions	144,000	138,000
Employee contributions	41,000	40,000
Benefits paid	(24,000)	-
At 31 August	<u>1,974,000</u>	<u>1,906,000</u>

24 Related party transactions

Owing to the nature of the Academy Trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the academy trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the financial period.

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

24 Related party transactions (continued)

Expenditure Related Party Transaction

PE & Sport Hub - an organisation in which L Manion, husband of K Manion (Head of School at Tyntesfield) is a director of PE & Sports Hub.

The organisation provides sports coaches and sports clubs for many schools in the Trafford area and have provided services to both schools for a few years. K Manion has no involvement in the selection of decision making process in relation to this service.

During the period the school paid £37,449 (2019: £49,684) to The PE & Sports Hub. At the balance sheet date the amount owed to The PE & Sports Hub was £Nil. (2019: Nil)

VBA Consulting - a company owned by K Cleary, a trustee, provided training course to the Trafford Teaching School Alliance, of which Tyntesfield Primary School is the lead school.

During the year the teaching school paid £3,000 (2019: £5,800). At the balance sheet date the amount owed to VBA Consulting was £Nil.

Income related party transactions

PE & Sports Hub

(L Manion, husband of K Manion (Head of School at Tyntesfield) is a director of PE & Sports Hub.)

The school received £15,384 (2019: £1,150) from The PE & Sports Hub. At the balance sheet date the amount owed from The PE & Sports Hub was £Nil..

Inspiring Learners Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2020 (continued)

25 Teaching school trading account

	2019/20 £	2018/19 £
Income		
Direct Income		
Other income	39,619	57,600
Other Income		
Fundraising and other trading activities	112,255	91,545
Total Income	151,874	149,145
Expenditure		
Direct costs		
Other direct costs	78,467	116,900
Other costs		
Support staff costs	47,000	16,826
Other support costs	14,701	17,922
Total other costs	61,701	34,748
Total Expenditure	(140,168)	(151,648)
Transfers between funds excluding depreciation	-	(391)
Surplus/(Deficit) from all sources	11,706	(2,894)
Teaching school balances at 1 September 2019	58,800	61,694
Teaching school balances at 31 August 2020	70,506	58,800